



2014-153-S
250005

Phone: 803-896-5100

Fax: 803-896-5199

www.psc.sc.gov

Complaint Form

Print

Date: April 8, 2014

Complainant or Legal Representative Information: * Required Fields

Name * Kathleen M. McDaniel, Esquire (Attorney for Arch Enterprises, LLC d/b/a McDonalds)
Firm (if applicable) Callison, Tighe & Robinson, LLC
Mailing Address * Post Office Box 1390
City, State Zip * Columbia, SC 29202-1390 Phone * (803) 404-6900
E-mail * kathleenmcdaniel@callisontighe.com

Name of Utility Involved in Complaint: * Palmetto Wastewater Reclamation, LLC d/b/a Alpine Utilities

NOTE: If AT&T is the utility involved, please complete the attachment located at the end of this form.

Type of Complaint (check appropriate box below.) *

- | | | | |
|---|--|--|---|
| <input checked="" type="checkbox"/> Billing Error/Adjustments | <input type="checkbox"/> Deposits and Credit Establishment | <input checked="" type="checkbox"/> Wrong Rate | <input type="checkbox"/> Refusal to Connect Service |
| <input checked="" type="checkbox"/> Disconnection of Service | <input type="checkbox"/> Payment Arrangements | <input type="checkbox"/> Water Quality | <input type="checkbox"/> Line Extension Issue |
| <input type="checkbox"/> Service Issue | <input type="checkbox"/> Meter Issue | | |
| <input type="checkbox"/> Other (be specific) _____ | | | |

Have you contacted the Office of Regulatory Staff (ORS)? * ☒ Yes ☐ No **Name of ORS Contact:** Jeff Nelson

Concise Statement of Facts/Complaint: * (This section must be completed. Attach additional information to this page if necessary.)

Please see attached.

RECEIVED

APR 10 2014

PSC SC
MAIL/DMS

RECEIVED
2014 APR - 8 PM 4:41
SC PUBLIC SERVICE
COMMISSION

Relief Requested: * (This section must be completed. Attach additional information to this page if necessary.)

Please see attached.

STATE OF SOUTH CAROLINA)
COUNTY OF Richland)

VERIFICATION

I, Kathleen M. McDaniel verify that I have read my complaint filed on April 8, 2014
Complainant's Name * Date *

and know the contents thereof, and that said contents are true.

Kathleen M. McDaniel
Complainant's Signature *

Internal Use Only

Processed By	Date
H.E.	

ATTACHMENT

Complainant: Kathleen McDaniel, Esquire, attorney for Arch Enterprises, LLC
d/b/a/ McDonalds
Against: Palmetto Wastewater Reclamation/Alpine
Date: April 8, 2014

Statement of Facts

This Complaint concerns the provision of sewer service to a McDonalds store located at 600 St. Andrews Road, Columbia, South Carolina. Sewer service at this location is provided by Palmetto Wastewater Reclamation, LLC d/b/a Alpine Utilities ("Alpine"). The former operator of this McDonalds store was RBF Enterprises, LLC d/b/a McDonalds. The customer name was McDonald's, and the account number for this service location was ABUS13H. In or about July 2013, the rights to operate this McDonalds store were purchased from RBF by Arch Enterprises, LLC d/b/a McDonalds. The customer name and account number remain the same. Alpine has provided sewer service without interruption to this location before the change in operator and until the present.

On April 2, 2013, RBF Enterprises, LLC d/b/a McDonalds filed a Complaint with the Public Service Commission regarding a thousand-fold increase in its sewer rates. The Public Service Commission ordered that the Complaint be held in abeyance on April 10, 2013, and the matter has been pending ever since. The crux of RBF's Complaint was Alpine's use of unit contributory loading guidelines rather than actual usage in determining sewer rates.

Alpine's sister company, Palmetto Utilities, Inc. filed a rate case in March 2013. J-Ray, Inc. and Sensor Enterprises, Inc., also McDonalds operators, intervened in that rate case. Here again, the crux of the interveners' concern was the use of unit contributory loading guidelines rather than actual usage in determining sewer rates. Despite J-Ray, Inc. and Sensor Enterprises, Inc.'s opposition, the Public Service Commission approved a settlement between Palmetto Utilities and ORS, which in pertinent part reduced the unit contributory loading guideline for cars at drive-thru restaurants from 40 gallons per car to 10 gallons per car. J-Ray and Sensor have appealed this decision to the South Carolina Supreme Court. Chris Valdes is an owner of both J-Ray and Arch Enterprises, LLC d/b/a McDonalds.

Alpine has recently filed a new rate case. In that case, Alpine proposes to utilize the 10 gallon per car figure rather than 40 gallons per car in calculating single family equivalents for drive-thru restaurants.

In February 2014, Arch Enterprises, LLC d/b/a McDonalds received the attached Notice of Intent to Disconnect Sewer Services from Palmetto Utilities, Inc. The Notice shows a past due balance of \$50,770.03. In March 2014, Arch Enterprises, LLC d/b/a McDonalds received a second Notice of Intent to Disconnect Sewer Services from Palmetto Utilities showing a past due balance of \$59,450.40. Notably, the notices are from Palmetto Utilities and not the correct service provider, Alpine.

Arch Enterprises, LLC d/b/a McDonalds disputes the past due balance. As a result of some communications between the parties' counsel and ORS, Alpine now contends that the past due amount is \$32,480.00. However, that amount is based upon a calculation using 40 gallons per car. Arch Enterprises, LLC d/b/a McDonalds contends that the correct formula should be based upon 10 gallons per car as was approved in the Palmetto Utilities 2013 rate

case and as proposed in the Alpine 2014 rate case. That amount is \$9,560.00. Arch Enterprises, LLC d/b/a McDonalds stands ready and willing to pay this amount immediately.

Arch Enterprises, LLC d/b/a McDonalds has been in regular contact with ORS to seek assistance with resolving this matter. In complete disregard of those efforts and the offer to pay \$9,560.00 immediately, Alpine is threatening to disconnect the sewer service to the St. Andrews Road store on Wednesday, April 9, 2014.

Relief Requested

Arch Enterprises, LLC d/b/a McDonalds seeks an order from the Public Service Commission or a single commissioner halting the disconnection of sewer service to the St. Andrews Road McDonalds store. An emergency order may be necessary to prevent such disconnection. Thereafter, Arch Enterprises, LLC d/b/a McDonalds requests that the Public Service Commission hold a hearing on this matter and determine that the past due amount should properly be \$9,560.00.



PALMETTO UTILITIES, INC.
1713 WOODCREEK FARMS RD
ELGIN, SOUTH CAROLINA 29045-8755
PHONE NO. (803) 699-2422

ACCOUNT NO. _____
SERVICE 600 ST. ANDREWS ROAD
ADDRESS COLUMBIA, SC 29210

via: FedEx, US Certified Mail, Hand Delivery

NOTICE OF INTENT TO DISCONNECT SEWER SERVICES

Your account is currently past due. You have 30 days from the date listed at the bottom of this notice to bring the account current. Failure to do this could result in an interruption of service. A reconnection fee of up to \$250.00 may be charged to reconnect services. The reconnection fee and past due balance will be due before services will be restored. The balance below includes a \$25.00 delinquent account notification fee. It does not include any charges that have been incurred since the notice date. Please call our office if you would like to discuss your account. All rates are regulated by the South Carolina Public Service Commission and are available for viewing at our office.

PAST DUE BALANCE: \$50,770.03 AS OF: 2/21/2014

not sure if I sent this. Please advise.

MF



PALMETTO UTILITIES
1713 WOODCREEK FARMS RD
ELGIN, SOUTH CAROLINA 29045-8755
PHONE NO: (803) 699-2422

ACCOUNT NO. [REDACTED]
SERVICE 600 ST. ANDREWS ROAD
ADDRESS COLUMBIA, SC 29210

Via: FedEx, US Certified Mail, Hand Delivery

NOTICE OF INTENT TO DISCONNECT SEWER SERVICES

Your account is currently past due. You have 10 days from the date listed at the bottom of this notice to bring the account current. Failure to do this could result in an interruption of service. A reconnection fee of up to \$250.00 may be charged to reconnect services. The reconnection fee and past due balance will be due before services will be restored. The balance below includes a \$25.00 delinquent account notification fee. It does not include any charges that have been incurred since the notice date. Please call our office if you would like to discuss your account. All rates are regulated by the South Carolina Public Service Commission and are available for viewing at our office

PAST DUE BALANCE: \$59,450.40 AS OF: 3/24/2014